

HB 212 -- SECURED TRANSACTIONS

SPONSOR: Cox

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Committee on Financial Institutions by a vote of 16 to 0.

This bill changes the laws regarding secured transactions under the Uniform Commercial Code. Its main provisions, the bill:

- (1) Specifies that a certificate of title includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of title if a statute permits the security interest to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral;
- (2) Specifies that a health-care-insurance receivable includes an interest in or claim under an insurance policy that is a right to payment for health-care goods or services to be provided;
- (3) Defines a "public organic record" as specified records that are available to the public for inspection;
- (4) Specifies that a registered organization includes organizations formed or organized by the filing of a public organic record, the issuance of a public organic record, or the enactment of legislation by the state or federal government;
- (5) Allows a registered organization, branch, or agency to designate its state of location by designating its main office, home office, or other comparable office;
- (6) Specifies the rules that apply to collateral to which a security interest attaches within four months after the debtor changes its location to another jurisdiction;
- (7) Specifies the requirements a financing statement naming an original debtor who is located in another jurisdiction must meet to be sufficient;
- (8) Specifies when a financing statement sufficiently provides the name of the debtor;
- (9) Allows a person to file in the filing office an information statement with respect to a record filed there if the person is a secured party of record with respect to the financing statement to which the record relates and believes that the person who filed the record was not entitled to do so under Sections 400.9-509(d), RSMo;

(10) Specifies the information an information statement must contain;

(11) Specifies when a security interest perfected immediately before this law takes effect is a perfect security interest;

(12) Specifies when an unperfected security interest immediately before this law takes effect becomes a perfected security interest;

(13) Specifies when the filing of an initial financing statement filed before this law takes effect continues the effectiveness of that financing statement;

(14) Determines the priority of conflicting claims to collateral; and

(15) Specifies that Section 400.4A-108 applies to a fund transfer that is a remittance transfer as defined in the Electronic Funds Transfer Act.

PROPONENTS: Supporters say the bill makes the language consistent with the changes made at the federal level.

Testifying for the bill were Representative Cox; and Missouri Bankers Association.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say the bill brings Missouri in line with the current federal code.

Testifying on the bill was Office of the Missouri Secretary of State.